

### Abstract of the Disclosure

The present invention relates to electronic cash on delivery and a system and method for effecting it. The present system and method intervenes during a transaction for possession of an item in exchange for value and provides for a secure communication of value exchange and delivery arrangement. Delivery is predicated upon verification of a payee created password. Value exchange may be sped up in the form of electronic factoring should the payee credit be positive. A second payee credit verification is also performed. The present system and method has application in on-line transactions along with traditional store front transactions, business to business and business to customer transactions.